that were completed by the Center for Health Affairs and the Michigan Health and Hospital Association regarding the excellent health care that is delivered in my district and throughout west Michigan. The studies show that west Michigan hospitals have lower costs while also delivering health care that is consistently equal to or better than the expected rates for lengths of stay and mortality. These factors combined help to illustrate the fact that health care in west Michigan is both low in cost and high in quality, and that we can serve as a model for national efforts to reform our health care system.

Over the past 10 years, we have seen national consumer health care prices increasing significantly. Last year's increase in consumer health care prices of 4.5 percent was the lowest in 22 years, but this increase is still nearly two times the increase in overall consumer prices. So you can understand why a report illustrating the low cost of hospital care in west Michigan is an important event. These low costs can be attributed to several factors, but the most significant ones are that administrators are operating efficient hospitals, doctors are making responsible decisions about appropriate care, and patients are not over-utilizing health care resources.

The most traditional measure of hospital resources in inpatient bed capacity, measured by beds per 1,000 residents. The number of beds in west Michigan hospitals has decreased by 26 percent over the past 10 years. This reflects the changing philosophy in the health care sector toward less intrusive treatments, shorter hospital stays, the use of outpatient and home care, and greater emphasis on preventive care. In west Michigan, the number of acute care beds per 1,000 people dropped to 2.35 in 1993, meaning that we had 1,700 fewer beds than would be expected at the statewide average. And the State average is still below the national average of 3.3 beds per 1,000 people.

In addition, the admission rate to acute care hospitals in west Michigan is 28 percent lower than the average rate across the State and throughout the Great Lakes region. The length of time that a person is expected to stay in the hospital upon admission has also fallen considerably in west Michigan from 1980 to 1993. The average length of stay at 5.3 days is over 15 percent lower than the national average. In terms of length of stay for selected medical cases, west Michigan hospitals performed better than expected in all categories. The days of care per 1,000 people in west Michigan is 35 percent lower than the days of care per 1,000 people at the national average. Finally, the per person operating costs in west Michigan hospitals are 30 percent lower than the statewide average, and the expenses per admission are also 10 percent lower than the State expense per admission.

All these statistics may be numbing, but together these data show that west Michigan hospitals are leading the State and the Nation in developing low-cost, quality hospital care. The entire health care community is working together in west Michigan to find ways to lower the cost of health care, while still increasing the quality of the services delivered. I applaud health care providers in my region for the innovation and leadership that they have demonstrated. And I would like to highlight two hospitals in the Third District, Blodgett Memorial Medical Center and Butterworth Hospital, for being recognized for the second year in a row as one of the top 100 hospitals in the Nation. Hospitals included in this report, which is conducted by HCIA, Inc. and Mercer Health Care Consulting, reduced expenses per adjusted discharge, lowered mortality, and cut length of stay. If all hospitals emulated this performance, hospital expenses would decline by 17 percent, inpatient mortality would drop by 24 percent, and average lengths of stay would decrease by almost a day. These are the kind of results that we are going to need in order to decrease health care costs in a way that does not decrease the quality of care.

These results will also help us address the rapidly increasing rate of spending in the Medicare program. The Social Security Board of Trustees' report for the Medicare trust fund illustrates the grim prognosis that the rate of increased spending poses for the Medicare trust fund. One way that we can slow this increase in spending is by utilizing alternatives to fee-for-service coverage.

It is ironic, however, that the low cost of health care in west Michigan currently hinders our ability to attract Medicare managed-care organizations. In order to determine payments to managed care plans, Medicare uses a formula that is based on 95 percent of the average amount that Medicare pays per beneficiary for fee-for-service care. Low-cost areas, like west Michigan, receive dramatically lower managed care payments, based on this formula. As a result, the payments are too small to attract managed care organizations. This comes down to a basic issue of fairness because Medicare beneficiaries pay the same amount to participate in the program, but those in high-cost, high-utilization areas are able to access better benefits through managed care. It is improper that areas, such as west Michigan, that have worked hard to keep their medical costs low are then penalized with less adequate Medicare coverage. If we expect to help lower Medicare spending through the use of alternatives to fee-for-service coverage, we must ensure that managed care payments are developed in a fair manner.

I address the House today to commend west Michigan for the low-cost health care that its hospitals have developed. As we proceed with Medicare and other health are reform, I urge this body to take steps to ensure that we do not penalize low-cost areas, like west Michigan, as they try to develop alternatives to fee-for-service coverage.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized for 5 minutes.

[Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. JONES] is recognized for 5 minutes.

[Mr. JONES addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. COBURN] is recognized for 5 minutes.

[Mr. COBURN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. STOCKMAN] is recognized for 5 minutes.

[Mr. STOCKMAN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida [Ms. ROS-LEHTINEN] is recognized for 5 minutes.

[Ms. ROS-LEHTINEN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. SHADEGG] is recognized for 5 minutes.

[Mr. SHADEGG addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. DIAZ-BALART] is recognized for 5 minutes.

[Mr. DIAZ-BALART addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. GUTKNECHT] is recognized for 5 minutes.

[Mr. GUTKNECHT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

TRIBUTE TO THE LATE HONORABLE HAMILTON FISH, JR.

The SPEAKER pro tempore. Under the Speaker's announced policy of May